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THE Wool SITUATION

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BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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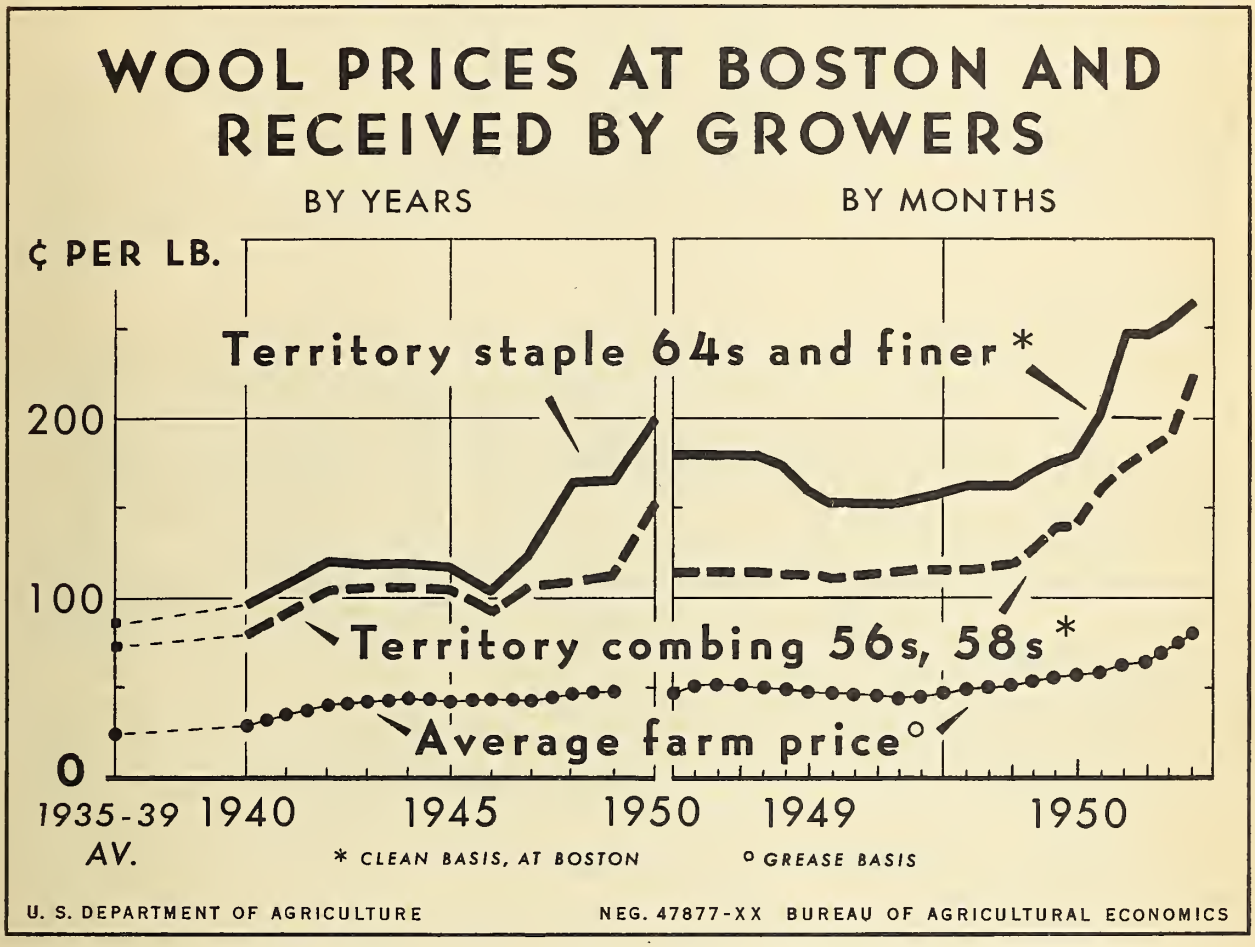

Prices of domestic wools at Boston advanced sharply during 1948 but during the following year trended downward from May until after the devaluation in September. Prices have advanced continuously, except for minor interruptions since late 1949. The sharp rise following the opening of auctions in the British Dominions in early September 1950 reflects a smaller world supply and strong military and civilian demand.

Prices received by growers in the United States have followed a trend similar to that of the Boston prices. Growers' prices have advanced continuously since November 1949. Prices received in 1951 are expected to average considerably higher than last year.

STATISTICAL SUMMARY

PRICES

Item	Unit	1949 Oct.	1949 Nov.	1949 Dec.	1950 Jan.	1950 Oct.	1950 Nov.	1950 Dec.	1951 Jan.	Last data available as percent of a year earlier
Price received by farmers	Cents	46.5	46.9	48.0	47.2	64.5	72.2	79.8	98.0	208
Parity price	do.	45.0	45.0	45.0	49.8	52.5	52.9	53.3	54.4	109.
Farm as percent of parity	Percent	103	104	107	95	123	136	150	180	
Boston market price: 1/										
Domestic wool										
Territory, scoured basis	Cents per									
64s, 70s, 80s, staple	pound	152.5	152.5	156.2	158.8	246.9	254.0	265.0	334.0	210
56s, combing	do.	112.0	112.8	116.0	116.0	181.9	190.5	223.8	277.0	239
Bright fleece, grease basis										
64s, 70s, 80s, delaine ...	do.	62.5	62.6	62.0	61.8	96.2	100.3	104.5	130.9	212
56s, combing	do.	54.5	54.5	55.2	55.9	90.9	97.3	113.1	142.0	254
Foreign wool, excluding duty										
Australian, clean basis										
64s, 70s, topmaking	do.	167.5	137.5	137.5	146.5	251.5	256.0	260.0	324.0	221
Montevideo, grease basis										
56s, (Is)	do.	63.0	63.0	64.0	67.0	108.5	121.4	142.6	177.5	265
50s, (IIs)	do.	57.0	57.0	58.0	60.2	97.5	116.5	135.0	162.0	269
Other textile fibers										
Cotton, middling 15/16" 2/ ..	do.	29.6	29.8	30.3	31.0	39.8	42.2	42.6	44.2	143
Rayon, staple fiber										
Viscose 1½ denier	do.	35.0	35.0	35.0	35.0	37.0	37.0	40.0	3/	114
Acetate 5 denier	do.	42.0	42.0	42.0	42.0	42.0	42.0	48.0	3/	114

CONSUMPTION AND SUPPLIES

		1949 Aug.	1949 Sept.	1949 Oct.	1949 Nov.	1950 Aug.	1950 Sept.	1950 Oct.	1950 Nov. 4/	
Mill consumption 5/										
Per week, during month 6/										
Scoured basis										
Apparel (domestic and duty-paid foreign)	1,000 pounds	7,354	7,170	8,380	7,183	9,737	8,878	9,501	7,734	108
Carpet (duty-free foreign).	do.	2,630	2,653	3,251	3,317	3,942	3,672	4,176	3,676	111
Grease basis										
Carpet (duty-free foreign)	do.	3,778	3,783	4,524	4,577	5,550	5,199	5,868	5,191	113
Accumulated since January 1										
Scoured basis										
Apparel (domestic and duty-paid foreign)	Mil. lb.	205.7	241.6	275.1	303.8	278.9	323.3	361.3	399.9	132
Carpet (duty-free foreign)	Mil. lb.	104.5	117.8	130.8	144.0	127.9	146.2	162.9	181.3	126
Grease basis										
Carpet (duty-free foreign)	Mil. lb.	146.5	165.4	183.5	201.8	178.3	204.2	227.7	253.7	126
Imports - actual weight 7/										
Apparel wool (dutiable)	Mil. lb.	26.5	28.8	26.5	29.4	46.0	34.7	28.8	26.3	89
Carpet wool (duty-free)	Mil. lb.	11.2	10.0	19.4	16.3	26.9	20.8	19.3	24.2	148
Accumulated since January 1										
Apparel wool (dutiable)	Mil. lb.	142.9	171.7	198.2	227.6	277.4	312.1	340.9	367.3	161
Carpet wool (duty-free)	Mil. lb.	104.5	114.5	133.8	150.1	243.9	264.7	284.0	308.2	205
Imports - clean content 7/										
Apparel wool (dutiable)	Mil. lb.	15.5	17.0	16.1	17.2	28.4	22.0	18.4	17.3	101
Carpet wool (duty-free)	Mil. lb.	7.5	7.0	13.2	11.6	18.8	14.4	12.8	16.5	142
Accumulated since January 1										
Apparel wool (dutiable)	Mil. lb.	84.3	101.3	117.5	134.7	170.8	192.8	211.3	228.5	170
Carpet wool (duty-free)	Mil. lb.	70.7	77.7	90.9	102.5	168.2	182.7	195.5	212.0	207
Wool fabric production										
Accumulated since January 1	Million									
Men's and Boy's wear	linear yards		112.6				134.3			119
Women's and children's wear..	do.		115.7				128.4			111
Other apparel fabrics	do.		20.3				15.3			75
Total apparel fabrics	do.		248.6				278.0			112
Blankets	do.		16.4				18.0			110
Other nonapparel fabrics	do.		31.1				37.3			120
Total woven fabrics	do.		296.1				333.3			113

Compiled from official sources.

1/ PMA Boston Market Reports. 2/ Average of 10 markets. 3/ Not available. 4/ Preliminary. 5/ Excludes wool consumed on the cotton and other spinning systems and in the manufacture of felts, hat bodies, and other miscellaneous products. 6/ Last month of each quarter is a 5-week period; other months are 4-week periods. For the last quarter of 1950, however, the second month is a 5-week period and the other 2 months are 4-week periods. 7/ Imports for consumption.

THE WOOL SITUATION

Approved by the Outlook and Situation Board, February 12, 1951

SUMMARY

The monthly average price received by domestic growers for shorn wool has advanced continuously since November 1949. Prices of wool in foreign markets and at Boston have advanced continuously, except for minor interruption, since late 1949. Prices are likely to remain high for the rest of the current season. World supplies of wool during the present season have been smaller than last season. The slight increase in world production has not been sufficient to offset the lower stocks at the beginning of the season.

Production of shorn and pulled wool in the United States this year probably will be about 260 million pounds, grease basis, or about 113 million pounds, scoured basis. This would be about 43 percent less than the record production of 455 million pounds, grease basis, in 1942, but slightly more than the quantity produced last year. This forecast reflects an increase of 4 percent in the number of stock sheep on farms on January 1 over a year earlier.

World demand for wool is expected to increase still further as a result of defense activities in a number of countries. Military requirements in the United States and elsewhere are expected to increase considerably. In the United States, a war reserve equivalent to 100 million pounds of wool, clean basis, in the form of raw wool, semiprocessed goods, or finished goods has been authorized. The Commodity Credit Corporation is now purchasing for the Department of Defense 30 million pounds of foreign wool toward this reserve. In addition, the Munitions Board has announced that wool has been put on its list of critical materials and that purchases for stockpiling will begin after procurement for the war reserve has been completed.

The Office of Price Stabilization issued a general ceiling price regulation on January 26, 1951. The regulation establishes ceiling prices for all commodities and services upon the basis of prices in effect during the period December 19, 1950 to January 25, 1951, inclusive. Raw wool when sold by the producer is among the commodities which are specifically exempt. The regulation also makes special provision for certain importers, permitting them to pass on price increases for imported goods which they receive after January 26, 1951, pursuant to contracts entered into on or before that date. Once deliveries under such contracts have been disposed of, the importers' ceiling price reverts to the base level.

On February 7, 1951, the Office of Price Stabilization exempted from the General Ceiling Price Regulation sales of certain wool products when sold to Defense Agencies or their suppliers under contracts entered into upon the basis of invitations for bids issued on or before January 26, 1951. The items exempted are (1) woolen and worsted yarns and textiles; (2) raw, scoured, and pulled wool, wool tops, noils, mohair, and wool waste; (3) articles which are made principally from woolen or worsted yarns and textiles (except those in which the woolen material is supplied by a Defense Agency).

Consumption of apparel wool by domestic mills during 1950 was substantially greater than during 1949. Woolen and worsted mills probably consumed between 430 and 435 million pounds, scoured basis, about one-fourth more than during the previous year. Over 70 percent of this wool was imported.

REVIEW AND OUTLOOK

Wool Prices in Foreign Markets Continue to Advance

Except for a slight decline in February and again early in October 1950, prices of wool in foreign markets have advanced continuously since late 1949.

At the opening auctions of the current season in the British Dominions (Australia, New Zealand, and South Africa) early in September, prices of merino wools advanced to levels 40-50 percent above prices at the closing auctions in June. Price increases for crossbred wools were even greater. After a slight decline early in October, the price rise was resumed. At the opening auctions of the second half of the season early in January, prices advanced to levels 15-20 percent above those at the closing auctions in December. Prices continued to advance at the later auctions in January but declined slightly early in February. Early in February prices for fine Australian wools were 30-40 percent higher than they were at the opening auctions of the season last September and about double what they were at the close of the previous season last June.

Prices at the London auctions and in South America have followed a trend similar to that of prices in the British Dominions (table 1).

Prices are likely to remain high for the remainder of the current season. World supplies of wool during the present season have been smaller than last season, since the slight increase in world production has not been sufficient to offset the lower stocks at the beginning of the season. World demand for wool is expected to increase still further as a result of defense activities in a number of countries.

Military requirements in the United States and elsewhere are expected to increase substantially from current levels. In the United States, a war reserve equivalent to 100 million pounds of wool, clean basis, in the form of raw wool, yarns, fabrics, or finished goods was authorized late last summer. The Commodity Credit Corporation is now purchasing 30 million pounds of foreign wool toward this reserve for the Department of Defense. In addition, the Munitions Board has announced that wool was put on its stockpiling list on December 29 and that purchases for stockpiling will begin after procurement for the war reserve has been completed.

Wool Prices at Boston Continue to Advance

Prices of both domestic and foreign wool at Boston have continued, except for minor interruptions, the advance which began late in 1949. With the opening of auctions of the current season in the British Dominions, prices advanced rapidly, reflecting the strong civilian and military demand for and the smaller world supply of wool.

Price increases for domestic wools at Boston during the past year ranged from 96 percent to 210 percent, depending on grade, staple, etc. (table 2). Price increases since last June range from 87 percent for 8 month Texas wool to 154 percent for territory common and braid. In general, the increases were somewhat greater for the combing than for the clothing and for the coarser than for the finer wools.

Table 1.- Prices of good fleece wools at the London auctions, in cents and pence per pound, clean basis, by months, 1948-51

Week ended 1/	Good medium fleeces		Fine crossbred fleeces		Crossbred fleeces	
	64s-70s	64s-70s	56s	56s	46s	46s
	Cents	Pence	Cents	Pence	Cents	Pence
1948						
January 15	147.8	88.0	94.0	56.0	55.4	33.0
January 30	161.3	96.0	100.8	60.0	59.6	35.5
March 5	144.5	86.0	90.7	54.0	45.4	27.0
March 19	152.8	91.0	90.7	54.0	45.3	27.0
April 30	161.3	96.0	94.1	56.0	52.1	31.0
June 4	196.5	117.0	97.4	58.0	52.1	31.0
June 16	196.5	117.0	97.4	58.0	48.7	29.0
July 23	196.5	117.0	100.8	60.0	52.1	31.0
September 16	189.8	113.0	100.8	60.0	52.1	31.0
October 1	184.8	110.0	97.4	58.0	52.1	31.0
November 17	199.9	119.0	107.5	64.0	58.8	35.0
December 3	199.9	119.0	117.6	70.0	65.5	39.0
1949						
January 27	201.6	120.0	109.2	65.0	67.2	40.0
February 18	201.6	120.0	109.2	65.0	65.5	39.0
March 25	201.6	120.0	109.2	65.0	60.5	36.0
April 8	206.5	123.0	109.1	65.0	57.1	34.0
May 13	194.9	116.0	99.1	59.0	55.4	33.0
May 27	201.4	120.0	99.0	59.0	55.4	33.0
July 7	201.5	120.0	104.1	62.0	55.4	33.0
July 22	193.2	115.0	104.1	62.0	55.4	33.0
September 23	122.6	105.0	77.0	66.0	42.0	36.0
October 7	134.2	115.0	81.7	70.0	47.8	41.0
November 25	150.5	129.0	95.7	82.0	61.9	53.0
December 9	150.5	129.0	93.4	80.0	56.0	48.0
1950						
January 27	173.9	149.0	114.4	98.0	70.0	60.0
February 10	158.7	136.0	95.7	82.0	60.7	52.0
March 16	158.7	136.0	93.4	80.0	63.0	54.0
March 31	170.4	146.0	102.7	88.0	70.0	60.0
May 5	177.4	152.0	110.9	95.0	75.9	65.0
May 19	184.4	158.0	114.4	98.0	79.4	68.0
July 6	184.4	158.0	114.4	98.0	80.5	69.0
July 21	198.4	170.0	123.7	106.0	89.9	77.0
September 22	285.9	245.0	198.4	170.0	166.9	143.0
October 6	262.6	225.0	186.7	160.0	152.9	131.0
November 24	282.4	242.0	200.7	172.0	183.2	154.0
December 8	293.9	252.0	227.4	195.0	198.3	164.0
1951						
February 2	355.9	305.0	256.7	220.0	221.7	190.0

Compiled from Kreglinger and Fernau Market reports. Prices converted from pence to cents at current rates of exchange.

1/ Quotations are for week ending on date shown, which are opening and closing weeks for each series.

Prices of imported wools have followed a trend similar to that for domestic wools. Australian 64s, 70s good topmaking wool was quoted at $3.45 per pound, clean basis, in bond at Boston, for the week ending February 9, compared with $1.47 in January 1950 and $1.78 in June 1950.

Growers' Prices Set New Records

The monthly average price received by domestic wool growers has advanced continuously since November 1949 and has set a new record each succeeding month since last September. The average price received in mid-January 1951 was 98.0 cents per pound, grease basis, 180 percent of parity. This compared with 79.8 cents received in the previous month, 47.2 cents in January and 56.2 cents in June 1950. Prices received by growers for 1951 clip wool will average considerably higher than they did in 1950. A large part of the 1951 spring clip already has been contracted for at prices considerably higher than were received for the 1950 clip.

Economic Stabilization Agency Issues General Ceiling Price Regulation

The Defense Production Act of 1950 contained a provision which specified that no ceiling price shall be established or maintained for any agricultural commodity below the higher of two prices - parity price or the highest actual prices received by producers between May 24 and June 24, 1950, inclusive, as they might be adjusted by the Secretary for grade, seasonal, and location differentials. Prices of both wool and mohair have been above the legal minima for some time. The legal minima on January 15, 1951, for wool and mohair were 56.2 and 82.7 cents per pound, grease basis, respectively.

On January 26, 1951 the Office of Price Stabilization issued a general ceiling price regulation, establishing ceiling prices for all commodities and services (except those specifically exempt) upon the basis of prices in effect during the period December 19, 1950 to January 25, 1951, inclusive. Raw wool when sold by the producer is among the exemptions.

Provision is made for an automatic parity adjustment in ceiling prices for those agricultural commodities which are below parity. However, this provision is not applicable to commodities which are currently above the legal minima, and therefore any increase in their costs may not be passed through from one level of production or distribution to another.

The regulation also makes special provision for certain importers, permitting them to pass on price increases for imported goods which they receive after January 26, 1951, pursuant to contracts entered into on or before that date. Once deliveries have been disposed of, the importer's ceiling price reverts to prices in effect during the base period December 19, 1950 to January 25, 1951 inclusive. Over three-fourths of the wool, apparel and carpet, which was consumed during 1950 was imported.

The regulation also exempts sales of military or strategic commodities but only to the extent specified by supplementary regulations or orders which will be issued defining the scope of this exemption.

Table 2.- Prices of domestic shorn wools at Boston, clean basis, for week ended February 9, 1951, with comparisons

Classification		1950 January	1950 June	1950 December	1951, Week ended February 9	Week ended February 9, 1951 percentage change from January 1950	June 1950	December 1950
		Cents	Cents	Cents	Cents	Percent	Percent	Percent
Graded shorn								
Territory								
Fine combing (Staple)	(64s and finer)	158.8	176.0	265.0	360.0	126.7	104.5	35.8
Fine French combing	(64s and finer)	150.0	364.4	255.0	345.0	130.0	109.9	35.3
Fine clothing	(64s and finer)	138.1	152.5	230.0	295.0	113.6	93.4	28.3
1/2 Blood combing (Staple)	(60s, 62s)	138.8	158.5	252.5	325.0	134.1	105.0	28.7
1/2 Blood French combing	(60s, 62s)	132.5	144.4	237.5	305.0	130.2	111.2	28.4
1/2 Blood clothing	(60s, 62s)	127.5	132.5	177.5	255.0	100.0	92.5	43.7
3/8 Blood combing	(56s, 58s)	116.0	139.5	223.8	295.0	154.3	111.5	31.8
3/8 Blood clothing	(56s, 58s)	95.0	102.5	157.5	235.0	147.4	129.3	49.2
1/4 Blood combing	(48s, 50s)	99.4	122.5	207.5	275.0	176.7	124.5	32.5
Low 1/4 Blood	(46s)	92.5	97.5	165.0	240.0	159.5	146.2	45.5
Common and Braid	(44s and coarser)	87.5	92.5	160.0	235.0	168.6	154.1	46.9
Bright fleece								
Fine combing (Delaine)	(64s and finer)	157.6	183.2	270.0	360.0	128.4	96.5	33.3
Fine clothing	(64s and finer)	130.0	152.5	225.0	290.0	123.1	90.2	28.9
1/2 Blood combing	(60s, 62s)	137.5	158.2	237.5	310.0	125.5	96.0	30.5
3/8 Blood combing	(56s, 58s)	105.8	127.5	213.8	290.0	174.1	127.4	35.6
1/4 Blood combing	(48s, 50s)	97.5	122.5	187.8	275.0	182.1	124.5	46.4
Low 1/4 Blood	(46s)	76.0	99.4	165.0	225.0	196.1	126.4	36.4
Common and Braid	(44s and coarser)	71.0	94.4	157.5	220.0	209.9	133.0	39.7
Semi-Bright fleece								
Fine combing (Staple)	(64s and finer)	148.8	172.5	255.0	335.0	125.1	94.2	31.4
Fine clothing	(64s and finer)	132.5	147.5	215.0	285.0	115.1	93.2	32.6
1/2 Blood combing	(60s, 62s)	133.8	157.5	220.0	315.0	135.4	100.0	43.2
3/8 Blood combing	(56s, 58s)	105.8	127.4	200.0	285.0	169.4	123.7	42.5
1/4 Blood combing	(48s, 50s)	97.5	122.4	180.0	260.0	166.7	112.4	44.4
Low 1/4 Blood	(46s)	76.0	99.4	155.0	225.0	196.1	126.4	45.2
Original bag shorn								
Fine Texas								
12 months		158.8	174.5	265.0	355.0	123.6	103.4	34.0
8 months		138.8	157.5	205.0	295.0	112.5	87.3	43.9
Fall		127.5	127.5	190.0	250.0	96.1	96.1	31.6

Compiled from market reports of the Production and Marketing Administration.

On February 7, 1951, the Office of Price Stabilization issued Amendment 1 to Supplementary Regulation 1 to the General Ceiling Price Regulation in order to facilitate the procurement of certain products for the Defense Agencies. This amendment exempts from the General Ceiling Price Regulation sales of certain wool products when sold to Defense Agencies or their suppliers under contracts entered into upon the bases of invitations for bids issued on or before January 26, 1951, or pursuant to a subcontract thereunder. The items exempted are (1) woolen and worsted yarns and textiles; (2) raw, scoured, and pulled wool, wool tops, noils, mohair, and wool waste; (3) articles which are made principally from woolen or worsted yarns and textiles (except those in which the woolen material is supplied by a Defense Agency).

World Wool Production Increases in 1950-51

World production of apparel and carpet wool during the 1950-51 season is estimated at approximately 4.0 billion pounds, grease basis, an increase of about 140 million pounds over output during the previous season, according to the regular fall survey of the Office of Foreign Agricultural Relations (table 3). This estimate is approximately 2 percent above the 1936-40 average of 3.9 billion pounds and approaches the World War II average. It is estimated that apparel wool production will total about 3,150 million pounds, consisting of 1,350 million pounds of merino wool and 1,800 million pounds of crossbred wool. The remainder will consist of carpet types.

The greater part of the increase over the 1949-50 season is accounted for by the increase in production in Australia, Spain, Argentina, U.S.S.R., Iran, and Uruguay.

Production in the 5 chief surplus-producing or exporting countries, Australia, Argentina, New Zealand, Union of South Africa, and Uruguay is estimated at 2,365 million pounds during 1950-51, compared with 2,286 million pounds during the previous season. This is equivalent to about 59 percent of total world wool production and to about 75 percent of world apparel wool production. At present about 90 percent of the wool grown in these countries is exported. Exports from these five countries account for over 85 percent of the raw wool entering international trade.

Production of wool in Australia, although estimated at 50 million pounds more than in 1949, is still 15 million pounds short of the record production of 1,169 million pounds reached in 1943. Australian production, all of which is apparel wool, represents about 30 percent of total world production and about 36 percent of the world production of apparel wool.

World Stocks Continue to Decline

World stocks of apparel wool, according to statistics compiled by the Commonwealth Economic Committee for the International Wool Study Group meeting last October, declined for the fourth consecutive season during 1949-50 (table 4). The excess of world consumption over current production was made possible by the large wartime accumulation in some countries. This accumulation has now been depleted.

Table 3.- Estimated world production of wool, grease basis, by continents and specified countries, averages 1936-40, 1941-45, annual 1946-50 1/

Continent	Averages 1936-40	Averages 1941-45	1946	1947	1948	1949 2/	1950 2/
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
North America	451.7	457.3	369.7	334.7	305.2	273.5	272.7
United States	425.3	428.5	341.8	309.4	280.5	253.4	253.7
Europe 3/	483.4	446.0	398.0	398.2	423.8	443.3	465.9
U. S. S. R. 4/	310.2	279.7	287.2	285.8	304.6	314.9	325.0
Asia 3/	344.2	336.7	339.6	341.8	354.7	347.2	367.5
South America	638.9	759.6	808.4	752.0	688.5	708.9	730.9
Argentina	411.0	505.8	515.0	475.0	419.0	420.0	440.0
Uruguay	126.2	144.1	176.0	158.7	147.7	158.7	165.3
Africa	336.8	321.9	274.8	267.8	280.6	281.4	294.5
Union of South Africa 5/	252.3	234.0	210.4	205.2	219.0	217.5	220.0
Oceana	1,365.9	1,438.5	1,343.9	1,335.1	1,399.8	1,489.9	1,540.1
Australia	1,051.9	1,088.0	976.8	973.0	1,032.7	1,099.8	1,150.0
New Zealand	313.8	350.4	367.0	362.0	367.0	390.0	390.0
Total 6/	3,930.4	4,040.0	3,820.0	3,720.0	3,760.0	3,860.0	4,000.0

Compiled from reports of Office of Foreign Agricultural Relations.

1/ For summary purposes wool produced mostly in the spring in the Northern Hemisphere is combined with that produced in the season beginning July 1 or October 1 of the same year in the Southern Hemisphere.

2/ Preliminary.

3/ Excludes U. S. S. R.

4/ Based on present boundaries.

5/ Union of South Africa, Union Protectorates and South West Africa.

6/ Rounded to tens of millions.

Practically all of the reduction in stocks since the end of World War II has been in Government holdings. During 1945-46 manufacturers' holdings were increased considerably, particularly in Europe, but since then have been kept in line with the rate of consumption. Trade stocks were built up in 1945-46, declined sharply during the following season, declined slightly in 1947-48, and probably increased in 1948-49 and again in 1949-50.

Table 4.- World production and consumption of wool, clean basis, 1945-50

Season	Production			Consumption	Change in stocks
	Apparel	Carpet	Total		
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1945-46	1,697	387	2,084	1,932	+152
1946-47	1,758	388	2,146	2,368	-222
1947-48	1,722	396	2,118	2,501	-383
1948-49	1,753	404	2,157	2,449	-292
1949-50	1,850	407	2,257	2,497	-240
1950-51	1,865	416	2,281		

Compiled from reports of the Commonwealth Economic Committee.

1951 Domestic Production to be Slightly Higher

Domestic production of shorn and pulled wool this year is likely to total about 260 million pounds, grease basis, or about 113 million pounds, scoured basis. This would be about 43 percent less than the record production of 455 million pounds, grease basis, in 1942 but about 6 million pounds more than the 254 million pounds estimated for 1950. This forecast reflects an increase in the number of stock sheep on farms on January 1 over a year earlier and is based on the assumption that the average fleece weight will be about the same as the average of the last few years.

Stock sheep numbers increased 4 percent during 1950 after a continuous decline of 8 years. Stock sheep numbers on farms on January 1, 1951, were 28,065,000 head, compared with 27,099,000 head a year earlier and the recent peak of 49,346,000 head on January 1, 1942.

Most of the increase was in ewe lambs, with only a small increase in breeding ewes. Breeding ewes 1 year old and over increased only about 1 percent, while the number of ewe lambs for breeding was about 14 percent larger than a year earlier.

Stock sheep numbers in the 13 Western sheep States increased about 3 percent, with Texas showing an increase of 6 percent and South Dakota an increase of 8 percent. Of the 13 states, 8 showed increases, while declines were indicated for Wyoming, New Mexico, Idaho, Arizona, and Oregon. The 35 Native States showed an increase of 6 percent.

Table 5.- Sheep on farms, United States, January 1, 1942-51

Year	All sheep	On feed	Sheep: Total	Stock sheep: Lambs: Ewe	Stock sheep: Lambs: W & R	Stock sheep: One year and over: Ewes	Stock sheep: One year and over: Rams	Stock sheep: One year and over: Wethers
	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
1942	56,213	6,867	49,346	7,864	1,778	37,361	1,446	897
1943	55,150	6,954	48,196	6,928	1,643	37,303	1,434	888
1944	50,782	6,512	44,270	6,142	1,951	33,991	1,345	841
1945	46,520	6,911	39,609	4,782	1,513	31,280	1,264	770
1946	42,436	6,837	35,599	4,773	1,533	27,680	1,100	513
1947	37,818	5,693	32,125	4,243	1,418	25,048	1,004	412
1948	34,827	4,851	29,976	4,134	1,139	23,408	918	377
1949	31,654	4,003	27,651	3,938	988	21,525	850	350
1950	30,743	3,644	27,099	4,070	1,122	20,757	821	329
1951 1/	31,505	3,440	28,065	4,633	1,192	21,059	848	333

1/ Preliminary.

Domestic Wool Consumption Increased in 1950

Woolen and worsted mills in the United States consumed substantially more apparel wool during 1950 than during 1949. During the first 11 months of the year, domestic mills consumed 400 million pounds of apparel wool, scoured basis. The average weekly rate during this period was 29 percent higher than that during the corresponding period of 1949 but 30 percent below the record January-November rate of 1946. Consumption for the year on the woolen and worsted systems probably was between 430 and 435 million pounds.

The increase in mill consumption in 1950 was reflected in consumption on both the woolen and worsted systems. However, due to the greater increase in demand for worsteds, consumption on the worsted system increased 52 percent while consumption on the woolen system increased only 4 percent. As a result, consumption on the worsted system represented 67 percent of the total compared with 58 percent during the previous year (table 6).

Table 6.- Percentage distribution of apparel wool consumption on the woolen and worsted systems, United States, January-November 1946-50

System	1946	1947	1948	1949	1950
	Percent	Percent	Percent	Percent	Percent
Worsted	57	64	66	58	67
Woolen	43	36	34	42	33
Total	100	100	100	100	100

Compiled from reports of Bureau of the Census.

Since the increase in the consumption of 60s and finer wool was somewhat greater than for the coarser wools, the former represented a larger proportion of total consumption in 1950 than in 1949. During January-November 1950 consumption of wool grading 60s and finer increased 36 percent and represented 56 percent of the total compared with 54 percent in 1949 and 63 percent in 1948. (Table 7.) Combined consumption of the coarser wools increased only 26 percent.

Table 7.- Percentage distribution of mill consumption of apparel wool, by grades, United States, January-November, 1946-50.

Grade	1946	1947	1948	1949	1950
	Percent	Percent	Percent	Percent	Percent
60s and finer	55	62	63	54	56
50s up to 60s	31	26	26	36	35
48s and coarser	14	12	11	10	9
Total	100	100	100	100	100

Compiled from reports of Bureau of the Census.

Demand for apparel wool in the United States probably will increase during 1951. Consumer incomes are expected to be higher; the supply of durable goods is expected to decline; and military requirements will increase. Controls which have been imposed and the possibility of additional controls on utilization could tend to limit the level of consumption during 1951. The substitution of other fibers, especially the synthetic fibers, also could be an important factor influencing the level of both apparel and carpet wool consumption. The greater advance in prices of wool relative to those of the synthetic fibers will tend to encourage an increase in the substitution of the latter for wool.

Consumption of carpet (duty-free imported) wool during 1950 also was considerably higher than during 1949. Domestic mills consumed 181 million pounds, scoured basis, during January-November. On a weekly rate basis, this was 23 percent greater than during the same period of 1949 and only 7 percent below the record rate of 1948. Consumption of such wool this year, however, probably will be less than in 1950. The substitution of rayon for wool in carpet manufacture is expanding rapidly due to the greater increase in the price of wool than in the price of rayon. Some carpet mills have already accepted defense orders for, and are planning to convert at least a part of their facilities to, the production of blanketing and canvas duck as they did during World War II.

United States Imports Increased in 1950

The United States imported considerably more wool in 1950 than during 1949. Imports for consumption of dutiable (apparel) wool totaled 229 million pounds, clean basis, or 367 million pounds, actual weight, during January-November. This compares with 135 million pounds, clean basis, or 228 million pounds, actual weight, imported during the same months of 1949. On a clean content basis, this represents an increase of 70 percent.

The quantity of apparel wool imported during 1950 was equivalent to over 70 percent of consumption, compared with 45 percent in 1949. The increase in imports during 1950 reflects the higher level of consumption and lower stocks of raw wool at the beginning of the year.

Mills in the United States are dependent on foreign sources for all of the carpet wool they use. During January-November 1950, imports for consumption of duty-free (carpet) wool amounted to 211 million pounds, clean basis, or 308 million pounds, actual weight. This was more than double the quantity imported during the same period of 1949. Both imports and consumption of such wools during 1951 probably will be a little lower.

Mill Output Increased in 1950

Production of yarn 1/ (other than carpet) on the woolen and worsted systems totaled 557 million pounds during January-November 1950. The weekly rate of production during this period was 15 percent greater than that for the same period of 1949. The weekly rate of production of worsted yarn increased 33 percent, while that for yarn spun on the woolen system increased 6 percent. Worsted yarns represented 39 percent of the total in 1950 compared with 34 percent the year before. The percentage increase in the rate of production of knitting yarn was somewhat greater than that for weaving yarn, the rate of production for weaving yarn increasing only 16 percent, while that for knitting yarn increased 24 percent. Weaving yarn output represented about 84 percent of the total in 1950 compared with 85 percent in 1949.

Domestic woolen and worsted mills produced 185 million pounds of carpet yarn during the first 11 months of 1950. The average weekly rate of production was 23 percent greater than during the same months of the previous year.

During January-September, production of woven wool fabrics 2/ totaled 333 million finished linear yards, 37 million yards or about 13 percent more than during the first 9 months of 1949. Output of woven apparel fabrics amounted to 281 million linear yards, an increase of 13 percent. The quantity of women's and children's wear fabrics produced was about 11 percent higher than during the previous year, while men's and boys' wear fabric production increased 29 percent. The yardage of fabric produced for Government orders was about 57 percent lower; however, output of such fabrics during the third quarter was more than three times as large as that produced during the same period of 1949. Production of non-apparel fabrics also increased. Of these the greatest percentage increase was in output of transportation upholstery, which increased 23 percent. Output of blanketing increased 10 percent.

USDA Proposes Mohair Grade Standards

The Production and Marketing Administration, U. S. Department of Agriculture, is considering the adoption of grade standards for mohair and is inviting comments from interested persons.

The standards, the first ever developed by the United States Department of Agriculture for mohair, were proposed as an aid to the mohair trade. Seven grades are included in the proposed standards: 40s, 36s, 32s, 28s, 24s, 20s, and 16s. Grade standards have been set up in two series, one for spring and the other for fall mohair.

The grade standards were established after surveying producers, warehousemen, and manufacturers and after consultation with Agricultural Experiment Stations and Extension Services.

1/ Includes all yarn spun on woolen and worsted systems regardless of fiber content. 2/ Fabrics containing by weight 25 percent or more wool, reused wool, on reprocessed wool.

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